



Australian Bureau of Statistics

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Affluent? Disadvantaged? Highly skilled and educated? ABS indexes show where

A new CD-ROM product from the 1996 Census, released today by the Australian Bureau of Statistics, enables the social and economic conditions of a city, town, suburb or census area to be compared with other areas, all at the click of a button.

Socio-Economic Indexes for Areas 96 (SEIFA 96) consists of five Indexes that have been specially constructed in order to reveal: where the affluent (as opposed to just high income earning) live; where the disadvantaged (as opposed to the unemployed) live; and where the highly skilled and educated (as opposed to simply the degree-holding people) live.

The five indexes are:

1. **Urban Index of Advantage** - an indicator of well-being, containing items such as high income, tertiary education, home ownership and skilled occupations;
2. **Rural Indexes of Advantage** - makes the distinction between being advantage in the city and being advantaged in the country, looking at characteristics related specifically to rural areas;
3. **Index of Disadvantage** - focuses on low income earners, relatively lower educational attainment, high unemployment, rented dwellings and people lacking fluency in English;
4. **Index of Economic Resources** - highlights what could be called disposable income, focusing on economic resources of a household including family income, housing status and car ownership; and
5. **Index of Education and Occupation** - provides specific ranking's based on educational background and type of occupation.

Socio-Economic Indexes for Areas 96 can be used by a wide range of public and private sector organisations to better plan their approach to service or product delivery. SEIFA can aid in market segmentation, demographic profiling, strategic planning, allocation of funds, design of sample surveys, targeting areas for business or services, and social or economic research.

A hypothetical example of how understanding the demographic profile of the local area can provide a competitive advantage to a retail business could be the marketing of luxury cars in a capital city. In this example a business wants to identify areas within the city which have a high proportion of its target market. The company's existing client base is drawn from areas in which people in prestigious professions, and with high levels of income and other assets, live.

Using Socio-Economic Indexes for Areas 96, the postal areas with the highest rankings for the

index of urban advantage are identified. The company is now in a position to target these areas with a prospect of increased sales and a greater return on investment.

SEIFA can also be used to better target areas for community services spending. For example, a health organisation wants to check that its fund allocation formula is delivering money to those localities which need it most. Specifically, it wants to check whether disadvantaged suburbs are actually being allocated appropriate funds. The ranking of localities using the index of disadvantage could assist in this task.

SEIFA is also a valuable research tool. For example, a major university is studying the socio-economic background of its students. In particular it wishes to know if most of the students come from relatively advantaged areas. The percentage of students in each postcode could be plotted against the index scores. This would provide a clearer picture of whether most of the students live in postcodes with high scores and therefore relatively advantaged areas.

(Editors please note: the examples above could be localised to your area of coverage. If you need help to do this, please discuss with the contact officers below.)

SEIFA 96 varies in price depending on the area covered by the indexes. SEIFA for all States and Territories is priced at \$2500. Individual States and Territories are also available at a reduced price.

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